

**Amendments to and Listing of the Claims:**

Please cancel claims 154-171 and add new claims 194-212 as follows:

1-193. (canceled)

194. (new)            A method of delivering targeted advertisements to a subscriber of a stored video system, the method comprising:

- (a) selecting a video from the system;
- (b) determining available advertisement opportunities associated with the selected video;
- (c) selecting one or more targeted advertisements desired to be displayed to the subscriber, wherein the selected targeted advertisements correspond to the available advertisement opportunities;
- (d) delivering the selected video and the targeted advertisements to the subscriber;
- (e) presenting the selected video and the targeted advertisements to the subscriber on a viewing device; and
- (f) presenting an alternative advertisement on the viewing device when the subscriber fast-forwards or skips one or more of the targeted advertisements, wherein the alternative advertisement is presented such that at least a portion of each targeted advertisement that is fast-forwarded or skipped remains visible to the subscriber.

195. (new)            The method of claim 194 wherein presentation of the alternative advertisement occurs during presentation of the targeted advertisements.

196. (new)            The method of claim 194 wherein the targeted advertisement is presented in a compressed manner during presentation of the alternative advertisement.

197. (new)                The method of claim 194 wherein the alternative advertisement is superimposed over the targeted advertisement.
198. (new)                The method of claim 194 wherein the alternative advertisement is a shortened version of the targeted advertisement.
199. (new)                The method of claim 194 wherein selection of the targeted advertisement is based on a subscriber profile.
200. (new)                The method of claim 199 wherein the subscriber profile defines traits associated with the subscriber, household demographics, traits associated with the selected video, or traits associated with previously selected videos.
201. (new)                The method of claim 194 wherein the alternative advertisement is not directly related to the targeted advertisement.
202. (new)                The method of claim 194 wherein the alternative advertisement is derived from the targeted advertisement.
203. (new)                A method of delivering targeted advertisements to a subscriber of a stored video system, the method comprising:
- (a) selecting a video from the system;
  - (b) determining available advertisement opportunities associated with the selected video;
  - (c) selecting one or more targeted advertisements desired to be displayed to the subscriber, wherein the selected targeted advertisements correspond to the available advertisement opportunities;
  - (d) delivering the selected video and the targeted advertisements to the subscriber;

(e) presenting the selected video and the targeted advertisements to the subscriber on a viewing device, wherein, when the subscriber fast-forwards or skips one or more of the targeted advertisements, each targeted advertisement that is fast-forwarded or skipped is presented in a compressed time period.

204. (new)                The method of claim 203 wherein step (e) includes presenting an alternative advertisement in conjunction with each targeted advertisement that is fast-forwarded or skipped.

205. (new)                The method of claim 204 wherein the alternative advertisement is presented such that at least a portion of each targeted advertisement that is fast-forwarded or skipped remains visible to the subscriber.

206. (new)                The method of claim 204 wherein presentation of the alternative advertisement occurs during presentation of the targeted advertisements.

207. (new)                The method of claim 204 wherein the alternative advertisement is superimposed over the targeted advertisement.

208. (new)                The method of claim 204 wherein the alternative advertisement is a shortened version of the targeted advertisement.

209. (new)                The method of claim 204 wherein the alternative advertisement is not directly related to the targeted advertisement.

210. (new)                The method of claim 204 wherein the alternative advertisement is derived from the targeted advertisement

211. (new)                The method of claim 203 wherein the selection of the targeted advertisement is based on a subscriber profile.

212. (new)            The method of claim 211 wherein the subscriber profile defines traits associated with the subscriber, household demographics, traits associated with the selected video, or traits associated with previously selected videos.